COMMONWEALTH OF KENTUCKY BEFORE THE PUBLIC SERVICE COMMISSION

In	the	Matte	r of:
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PURCHASED WATER ADJUSTMENT)
FILING OF FARMDALE WATER) CASE NO. 2013-00113
DISTRICT)

ORDER

On March 25, 2013, Farmdale Water District ("Farmdale") applied to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

- Farmdale purchases water from Frankfort Electric and Water Plant Board ("Frankfort").
- 2. On April 1, 2013, Frankfort increased its wholesale water volumetric rate to Farmdale from \$1.91 per 1,000 gallons to \$2.01 per 1,000 gallons.²
- 3. Farmdale proposes to apply a purchased water adjustment factor of \$0.13 per 1,000 gallons to its rates.
 - Farmdale adjusted its rates on April 1, 2013.
- 5. During the 12 months ended December 31, 2012, Farmdale purchased 203,466,000 gallons of water from Frankfort. It sold 161,588,000 gallons of water during the same period.

¹ KRS 278.015; 807 KAR 5:068.

² Case No. 2010-00485, Proposed Adjustment of the Wholesale Water Service Rates of Frankfort Electric and Water Plant Board (Ky. PSC Mar. 16, 2011).

- 6. The purchased water adjustment factor of \$0.13 per 1,000 gallons, as calculated in Appendix A to this Order, is fair, just, and reasonable and should be approved.
- 7. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Farmdale renders on and after April 1, 2013.

IT IS THEREFORE ORDERED that:

- 1. The purchased water adjustment factor of \$0.13 per 1,000 gallons is approved.
- 2. The rates in Appendix B are approved for service that Farmdale renders on or after April 1, 2013.
 - 3. Farmdale's proposed tariff sheets filed with the application are approved.

By the Commission

ENTERED PAPER 1°9 2013

KENTUCKY PUBLIC SERVICE COMMISSION

ATTE\$T

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00113 DATED APR 1 9 2013

	New Rate		Base Rate		
Frankfort Purchases in gallons Volumetric rate	203,466,000 \$ 2.01 \$408,966.66	\$	203,466,000 5 1.91 5388,620.06		
Increased water cost			\$20,346.60		
Increased water cost			0,346.60		
Divided by gallons sold/1,000			<u>161,588,000</u>		
Purchased water adjustment factor		\$	0.1259		
		or\$	0.13		

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2013-00113 DATED APR 1 9 2013

The following rates and charges are prescribed for the customers in the area served by Farmdale Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Rates

5/8-Inc	ch x 3/4-Inch Meter Size		
First	2,000 gallons	\$13.12	Minimum Bill
Next	3,000 gallons	3.50	per 1,000 gallons
Next	5,000 gallons	3.00	per 1,000 gallons
Over	10,000 gallons	2.80	per 1,000 gallons
1-Inch	Meter Size		
First	7,000 gallons	\$29.62	Minimum Bill
Next	3,000 gallons	3.00	per 1,000 gallons
Next	140,000 gallons	2.80	per 1,000 gallons
Over	150,000 gallons	2.55	per 1,000 gallons

Clifford Toles Chairman Farmdale Water District 100 Highwood Drive Frankfort, KENTUCKY 40601